

# HOUSE BILL REPORT

## SB 5401

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**As Reported By House Committee On:**  
Health Care

**Title:** An act relating to extending deadlines for studies of medical benefits for injured workers under a consolidated health care system.

**Brief Description:** Extending deadlines for studies of medical benefits for injured workers under a consolidated health care system.

**Sponsors:** Senators Quigley, Winsley, Moyer and C. Anderson; by request of Department of Labor & Industries.

**Brief History:**

**Committee Activity:**

Health Care: 3/16/95 [DPA].

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### HOUSE COMMITTEE ON HEALTH CARE

**Majority Report:** Do pass as amended. Signed by 12 members: Representatives Dyer, Chairman; Backlund, Vice Chairman; Hymes, Vice Chairman; Dellwo, Ranking Minority Member; Cody, Assistant Ranking Minority Member; Campbell; Casada; Conway; Crouse; Kessler; Sherstad and Skinner.

**Staff:** Bill Hagens (786-7131).

**Background:** The Health Services Act of 1993 required that the Health Services Commission, in coordination with the Department of Labor and Industries (L&I), study and report on the consolidated delivery of medical services within the workers' compensation program and other health systems envisioned under health reform. The final report is due in January 1996.

In addition, the 1993 Act authorized the Department of Labor and Industries to conduct pilot projects to test the feasibility of purchasing medical services for the workers' compensation program through managed care, and to report its results by October 1996.

Some of the affected parties feel the report on consolidation would benefit from the results of the pilot projects and therefore believe the final reports should be delayed.

**Summary of Amended Bill:** The final due date for the workers' compensation medical aid and health reform consolidation study is moved to January, 1997. The Joint Committee on Health Systems Oversight replaces the commission in a coordination role. Added to the study is a review of an option for an employer to elect to purchase L&I medical aid benefits through a health carrier if the employer pays 100 percent of the employee health benefits premium costs.

The final due date for the pilot project report is moved to April 1997, with an interim report in October 1996. The projects must end on January 1, 1997. The study is recodified under Title 51 (Labor and Industries).

**Amended Bill Compared to Substitute Bill:** L&I's requirement to coordinate the study with Washington Health Services Commission is deleted and replaced with Joint Committee on Health Systems Oversight involvement. L&I is required to study also the option of employers purchasing medical aid benefits through a health carrier, if the employer pays 100 percent of employee health benefits. "Uniform benefits package" is replaced with "standard benefits package". "Certified health plan" is replaced with "health carrier." The statute is recodified in Chapter 51.04 RCW (Labor and Industries). The original text in Chapter 43.72 RCW (health reform) is repealed.

**Appropriation:** None.

**Fiscal Note:** Available.

**Effective Date of Amended Bill:** Ninety days after adjournment of session in which bill is passed.

**Testimony For:** One more year is necessary to complete the study.

**Testimony Against:** None.

**Testified:** Jerry Coe, Sisters of Providence (pro); Mark Brown, Department of Labor and Industries (pro); Pam MacEwan, Health Services Commission (pro); and Jan Gee, Washington Retail Association (pro).